Senate File 2358 - Introduced

SENATE FILE 2358

BY COMMITTEE ON GOVERNMENT

OVERSIGHT

(SUCCESSOR TO SSB 3221)

A BILL FOR

- 1 An Act concerning government accountability and employment
- 2 practices, making penalties and remedies applicable, and
- 3 including effective date provisions.
- 4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 DIVISION I

2 PERSONNEL SETTLEMENT AGREEMENTS

- 3 Section 1. <u>NEW SECTION</u>. **70A.35 Personnel settlement** 4 agreements public employers.
- 5 l. For purposes of this section:
- 6 a. "Personnel settlement agreement" means a binding legal
- 7 agreement between an employee and the employee's state employer
- 8 to resolve a personnel dispute including but not limited to a
- 9 grievance. "Personnel settlement agreement" does not include
- 10 an initial decision by an employee's immediate supervisor
- 11 concerning a personnel dispute or grievance.
- 12 b. "State employer" means any of the following:
- 13 (1) The executive branch of state government, to include
- 14 a unit of state government, which is an authority, board,
- 15 commission, committee, council, department, or independent
- 16 agency as defined in section 7E.4, including but not limited
- 17 to each principal central department enumerated in section
- 18 7E.5; the office of the governor; and the office of an elective
- 19 constitutional or statutory officer.
- 20 (2) The general assembly, or any office or unit under its
- 21 administrative authority.
- 22 (3) The judicial branch, as provided in section 602.1102.
- 23 2. a. For personnel settlement agreements with an employee
- 24 of the executive branch, excluding an employee of the state
- 25 board of regents or institution under the control of the state
- 26 board of regents, the personnel settlement agreement shall,
- 27 to the extent consistent with any provision of an applicable
- 28 collective bargaining agreement, be reviewed and approved as
- 29 to form by the attorney general or by the attorney general's
- 30 designee, and approved by the director of the department of
- 31 management, the director of the department of administrative
- 32 services, and the head of the agency involved with the matter
- 33 at issue.
- 34 b. For personnel settlement agreements with an employee of
- 35 the state board of regents or institution under the control of

- 1 the state board of regents, the personnel settlement agreement
- 2 shall, to the extent consistent with any provision of an
- 3 applicable collective bargaining agreement, be reviewed and
- 4 approved as to form by the attorney general or by the attorney
- 5 general's designee, and approved by the executive director of
- 6 the state board of regents and the head of the institution
- 7 involved with the matter at issue. Any costs or payments
- 8 associated with the personnel settlement agreement shall be
- 9 authorized by the state appeal board established in section
- 10 24.26, and paid as a claim under chapter 25.
- 11 c. For personnel settlement agreements with an employee of
- 12 the judicial branch, the personnel settlement agreement shall,
- 13 to the extent consistent with any provision of an applicable
- 14 collective bargaining agreement, be approved by the state court
- 15 administrator.
- 16 d. For personnel settlement agreements with an employee
- 17 of the general assembly, the personnel settlement agreement
- 18 shall be approved by the legislative council or the appropriate
- 19 committee of the senate or house of representatives.
- 20 e. For personnel settlement agreements with an employee
- 21 subject to review and approval pursuant to the requirements of
- 22 a collective bargaining agreement that are inconsistent with
- 23 the requirements of this subsection, a report on the personnel
- 24 settlement agreement shall be provided to those persons who
- 25 would otherwise review or approve the personnel settlement
- 26 agreement for that employee.
- 27 3. Personnel settlement agreements shall not contain any
- 28 confidentiality or nondisclosure provision that attempts to
- 29 prevent the disclosure of the personnel settlement agreement.
- 30 A confidentiality or nondisclosure provision in a personnel
- 31 settlement agreement is void and unenforceable.
- 32 4. All personnel settlement agreements shall be made easily
- 33 accessible to the public on an internet site maintained as
- 34 follows:
- 35 a. For personnel settlement agreements with an employee of

- 1 the executive branch, excluding an employee of the state board
- 2 of regents or institution under the control of the state board
- 3 of regents, by the department of administrative services.
- 4 b. For personnel settlement agreements with an employee of
- 5 the state board of regents or institution under the control of
- 6 the state board of regents, by the state board of regents.
- 7 c. For personnel settlement agreements with an employee of
- 8 the judicial branch, by the judicial branch.
- 9 d. For personnel settlement agreements with an employee of
- 10 the general assembly, by the general assembly.
- 11 Sec. 2. EFFECTIVE UPON ENACTMENT. This division of this
- 12 Act, being deemed of immediate importance, takes effect upon
- 13 enactment.
- 14 DIVISION II
- 15 PERSONNEL SETTLEMENT AGREEMENTS EXAMINATION
- 16 Sec. 3. AUDITOR OF STATE EXAMINATION PERSONNEL
- 17 SETTLEMENT AGREEMENTS. The auditor of state shall expend
- 18 such amount as is necessary for purposes of conducting an
- 19 examination concerning personnel settlement agreements made by
- 20 the state with terminated state employees since January 2011
- 21 that were not approved by the state appeal board or decided by
- 22 the public employment relations board. The examination shall
- 23 include the nature of the positions subject to termination, the
- 24 payments provided and the funding source of the payments, and
- 25 the identity and authority of the person or persons signing
- 26 the personnel settlement agreement on behalf of the state. A
- 27 report on the results of the examination shall be submitted to
- 28 the general assembly by December 1, 2014. The auditor of state
- 29 shall be authorized to charge the department of administrative
- 30 services for costs associated with the examination.
- 31 Sec. 4. EFFECTIVE UPON ENACTMENT. This division of this
- 32 Act, being deemed of immediate importance, takes effect upon
- 33 enactment.
- 34 DIVISION III
- 35 SERVICE CONTRACTS

- 1 Sec. 5. Section 8.47, subsection 1, unnumbered paragraph 1,
- 2 Code 2014, is amended to read as follows:
- 3 The department of administrative services, in cooperation
- 4 with the office of attorney general and the department of
- 5 management, shall adopt uniform terms and conditions for
- 6 service contracts executed by a department or establishment
- 7 benefiting from service contracts which terms and conditions
- 8 shall be consistent with the contractual requirements of
- 9 chapter 8F. The terms and conditions shall include but are not
- 10 limited to all of the following:
- Sec. 6. Section 8F.3, subsection 3, Code 2014, is amended
- 12 to read as follows:
- 13 3. Prior to entering into a service contract with a
- 14 recipient entity, the oversight agency shall determine do all
- 15 of the following:
- 16 a. Determine whether the recipient entity can reasonably
- 17 be expected to comply with the requirements of the service
- 18 contract. If the oversight entity is unable to determine
- 19 whether the recipient entity can reasonably be expected
- 20 to comply with the requirements of the service contract,
- 21 the oversight entity shall request such information from
- 22 the recipient entity as described in subsection 1 to make
- 23 a determination. If the oversight agency determines from
- 24 the information provided that the recipient entity cannot
- 25 reasonably be expected to comply with the requirements of the
- 26 service contract, the oversight agency shall not enter into the
- 27 service contract.
- 28 b. Perform a cost comparison establishing whether the
- 29 contract costs from the proposed service contract are less
- 30 than the costs of having the services provided by an agency.
- 31 Contract costs shall include direct costs, including salaries
- 32 and fringe benefits, indirect overhead costs, including the
- 33 contractor's proportional share of existing administrative
- 34 salaries and benefits, rent and equipment costs, utilities,
- 35 and materials. Additionally, transition costs, including

- 1 unemployment compensation, shall be included in the analysis of
- 2 contract costs. If the oversight agency determines from the
- 3 information provided that the contract costs of the recipient
- 4 entity are not less than the costs of having the services
- 5 provided by an agency, the oversight agency shall not enter
- 6 into the service contract.
- 7 c. If the proposed service contract may result in reduced
- 8 public employment by an agency in an area, perform an
- 9 economic impact analysis to consider the impact of the service
- 10 contract on the possible loss of employment or income in the
- 11 affected area, impact on social services to include public
- 12 assistance programs, economic impact on local businesses, any
- 13 possible changes in tax revenue for the affected area, and
- 14 any environmental impacts that may result from the service
- 15 contract.
- 16 Sec. 7. Section 8F.3, Code 2014, is amended by adding the
- 17 following new subsection:
- 18 NEW SUBSECTION. 4. A service contract with a recipient
- 19 entity shall include the following terms and conditions:
- 20 a. Specific performance criteria and cost parameters with
- 21 termination provisions for failure to meet the performance
- 22 criteria and cost parameters.
- 23 b. A requirement that the compensation paid to employees
- 24 of a recipient entity pursuant to the service contract shall
- 25 be comparable to the compensation paid to public employees
- 26 performing similar work or the average private sector wage in
- 27 this state for similar work, whichever is less.
- 28 c. A provision prohibiting the automatic renewal of
- 29 the terms of a service contract without complying with the
- 30 requirements of this section prior to renewing the service
- 31 contract.
- d. A provision prohibiting the payment for services under
- 33 the service contract regardless of whether the services are
- 34 actually provided.
- 35 Sec. 8. Section 8F.4, Code 2014, is amended by adding the

- 1 following new subsection:
- NEW SUBSECTION. 4. An oversight agency shall make
- 3 information described in section 8F.3, subsection 3, paragraphs
- 4 "b" and "c", and information required to be reported by a
- 5 recipient agency pursuant to this section available to the
- 6 public.
- 7 Sec. 9. Section 8G.3, subsection 3, paragraph a, Code 2014,
- 8 is amended by adding the following new subparagraph:
- 9 NEW SUBPARAGRAPH. (10) A recipient entity as defined in
- 10 section 8F.2.
- 11 Sec. 10. Section 8G.4, subsection 2, Code 2014, is amended
- 12 by adding the following new paragraph:
- 13 NEW PARAGRAPH. 0j. Information required to be provided
- 14 pursuant to chapter 8F.
- 15 DIVISION IV
- 16 STATE EMPLOYMENT HIRING PROCEDURES
- 17 Sec. 11. NEW SECTION. 70A.21 State employment —
- 18 designation of ineligibility procedures penalty.
- 19 1. A board, commission, agency, or department of the state
- 20 that seeks to designate an individual as ineligible to apply
- 21 for; to be considered, referred, or approved for; or to be
- 22 appointed to employment by the state or any of its boards,
- 23 commissions, agencies, or departments, shall do all of the
- 24 following:
- 25 a. Maintain documentation of the designation of
- 26 ineligibility, to include signatures from the individual's
- 27 immediate supervisor and the applicable head of the board,
- 28 commission, agency, or department, the extent of the
- 29 individual's ineligibility for state employment, proof of
- 30 notification of the individual, and any information concerning
- 31 any appeals regarding the designation.
- 32 b. Notify the individual prior to or within ten days of
- 33 discharge of the designation of ineligibility and the extent
- 34 of the individual's ineligibility for state employment. The
- 35 notification shall include information on the process for an

- 1 individual to appeal, remove, or modify the designation of
 2 ineligibility.
- 2. Each board, commission, agency, or department of the
- 4 state shall establish a process for an individual to appeal,
- 5 remove, or modify a designation of ineligibility. Following
- 6 a final determination by the board, commission, agency or
- 7 department within the executive branch of the state relative
- 8 to an appeal or attempt to remove or modify a designation of
- 9 ineligibility by an individual, the individual may appeal to
- 10 the public employment relations board created in section 20.5,
- 11 for individuals subject to the jurisdiction of the board, and
- 12 to an administrative law judge employed by the department of
- 13 inspections and appeals, for all other individuals.
- 14 Sec. 12. NEW SECTION. 70A.22 State employee hiring
- 15 requirements.
- 16 An employer of state employees shall establish procedures
- 17 providing for the hiring of employees by the employer. The
- 18 procedures shall provide for the public announcement of
- 19 vacancies of the employer at least ten days in advance of the
- 20 date fixed for the filing of applications for the vacancies
- 21 and for the advertisement of the vacancies through the
- 22 communications media.
- 23 DIVISION V
- 24 STATE EMPLOYEE BONUSES
- 25 Sec. 13. NEW SECTION. 22.13B Executive branch bonuses —
- 26 disclosure.
- 27 l. For purposes of this section:
- 28 a. "Bonus pay" means any additional remuneration in an
- 29 amount exceeding two hundred dollars provided an employee in
- 30 the form of a bonus, including but not limited to a retention
- 31 bonus, recruitment bonus, exceptional job performance pay,
- 32 extraordinary job performance pay, exceptional performance pay,
- 33 extraordinary duty pay, or extraordinary or special duty pay,
- 34 and any extra benefit not otherwise provided to other similarly
- 35 situated employees.

- 1 b. "Executive branch employee" means an employee of the
- 2 executive branch of state government, which includes any
- 3 unit of state government, including but not limited to an
- 4 authority, board, commission, committee, council, department,
- 5 or independent agency as defined in section 7E.4, and each
- 6 principal central department enumerated in section 7E.5;
- 7 the office of the governor; and the office of an elective
- 8 constitutional or statutory officer.
- 9 2. A decision to provide bonus pay to an executive branch
- 10 employee, including the amount paid and the documented reasons
- 11 and rationale for the bonus paid, shall be a public record.
- 12 3. All decisions to provide bonus pay to an executive branch
- 13 employee, including information described in subsection 2,
- 14 shall be made easily accessible to the public on an internet
- 15 site maintained as follows:
- 16 a. For decisions to provide bonus pay to an employee of the
- 17 executive branch, excluding an employee of the state board of
- 18 regents or institution under the control of the state board of
- 19 regents, by the department of administrative services.
- 20 b. For decisions to provide bonus pay to an employee of the
- 21 state board of regents or institution under the control of the
- 22 state board of regents, by the state board of regents.
- 23 DIVISION VI
- 24 WHISTLEBLOWER PROTECTION
- Sec. 14. Section 8A.417, subsection 4, Code 2014, is amended
- 26 by striking the subsection and inserting in lieu thereof the
- 27 following:
- 28 4. a. For purposes of this subsection, "a disclosure of
- 29 information permitted by this section" includes any of the
- 30 following:
- 31 (1) A disclosure of any information by the employee to a
- 32 member or employee of the general assembly if the information
- 33 can be used by the member or employee of the general assembly
- 34 in the performance of the member's or employee's duties,
- 35 regardless of whether the member or employee requested the

- l information.
- 2 (2) A disclosure of information to any appropriate person
- 3 if the employee reasonably believes the information evidences
- 4 a violation of law or rule, mismanagement, a gross abuse of
- 5 funds, an abuse of authority, or a substantial and specific
- 6 danger to public health or safety.
- 7 b. A person shall not do any of the following as a
- 8 reprisal against an employee in a position in a merit system
- 9 administered by, or subject to approval of, the director, who
- 10 makes a disclosure of information permitted by this section
- ll or who fails to inform the person that the employee made a
- 12 disclosure of information permitted by this section:
- 13 (1) Discharge, suspend, or demote the employee, or take any
- 14 other adverse employment action resulting in a reduction of the
- 15 employee's pay.
- 16 (2) Fail to appoint or promote the employee to a position in
- 17 the merit system or fail to take action regarding an advantage
- 18 to the employee.
- 19 c. However, an employee may be required to inform the
- 20 person that the employee made a disclosure of information
- 21 permitted by this section if the employee represented that
- 22 the disclosure was the official position of the employee's
- 23 immediate supervisor or employer.
- 24 d. An employer subject to the requirements of this
- 25 subsection shall inform the employer's employees on a regular
- 26 basis of their rights to disclose information as provided in
- 27 this subsection.
- 28 e. This subsection does not apply if the disclosure of the
- 29 information is prohibited by statute.
- 30 Sec. 15. Section 8F.3, subsection 1, paragraph d, Code 2014,
- 31 is amended to read as follows:
- 32 d. Information regarding any policies adopted by the
- 33 governing body of the recipient entity that ensure compliance
- 34 with section 70A.29 and that prohibit taking adverse employment
- 35 action against employees of the recipient entity who disclose

- 1 information about a service contract to the oversight agency,
- 2 the auditor of state, the office of the attorney general, or
- 3 the office of ombudsman and that state whether those policies
- 4 are substantially similar to the protection provided to state
- 5 employees under section 70A.28. The information provided shall
- 6 state whether employees of the recipient entity are informed
- 7 on a regular basis of their rights pursuant to section 70A.29
- 8 and of their rights to disclose information to the oversight
- 9 agency, the office of ombudsman, the auditor of state, or the
- 10 office of the attorney general and the telephone numbers of
- 11 those organizations.
- 12 Sec. 16. Section 70A.28, subsection 1, Code 2014, is amended
- 13 to read as follows:
- 1. A person who serves as the head of a state department or
- 15 agency or otherwise serves in a supervisory capacity within the
- 16 executive or legislative branch of state government shall not
- 17 prohibit an employee of the state from making a disclosure of
- 18 information permitted by this section or require an employee
- 19 of the state to inform the person that the employee made
- 20 a disclosure of information permitted by this section and
- 21 shall not prohibit an employee of the state from disclosing
- 22 any information to a member or employee of the general
- 23 assembly or from disclosing information to any other public
- 24 official or law enforcement agency if the employee reasonably
- 25 believes the information evidences a violation of law or rule,
- 26 mismanagement, a gross abuse of funds, an abuse of authority,
- 27 or a substantial and specific danger to public health or
- 28 safety. However, an employee may be required to inform the
- 29 person that the employee made a disclosure of information
- 30 permitted by this section if the employee represented that
- 31 the disclosure was the official position of the employee's
- 32 immediate supervisor or employer.
- 33 Sec. 17. Section 70A.28, subsection 2, Code 2014, is amended
- 34 by striking the subsection and inserting in lieu thereof the
- 35 following:

- 1 2. a. A person shall not do any of the following as
- 2 a reprisal against an employee in a position in a state
- 3 employment system administered by, or subject to approval of, a
- 4 state agency, who makes a disclosure of information permitted
- 5 by this section or who fails to inform the person that the
- 6 employee made a disclosure of information permitted by this
- 7 section:
- 8 (1) Discharge, suspend, or demote the employee, or take any
- 9 other adverse employment action resulting in a reduction of the
- 10 employee's pay.
- 11 (2) Fail to appoint or promote the employee to a position in
- 12 the state employment system or fail to take action regarding
- 13 an advantage to the employee.
- 14 b. However, an employee may be required to inform the
- 15 person that the employee made a disclosure of information
- 16 permitted by this section if the employee represented that
- 17 the disclosure was the official position of the employee's
- 18 immediate supervisor or employer.
- 19 Sec. 18. Section 70A.28, Code 2014, is amended by adding the
- 20 following new subsection:
- 21 NEW SUBSECTION. 2A. For purposes of this section, "a
- 22 disclosure of information permitted by this section" includes any
- 23 of the following:
- 24 a. A disclosure of any information by the employee to a
- 25 member or employee of the general assembly if the information
- 26 can be used by the member or employee of the general assembly
- 27 in the performance of the member's or employee's duties,
- 28 regardless of whether the member or employee requested the
- 29 information.
- 30 b. A disclosure of information to any appropriate person
- 31 if the employee reasonably believes the information evidences
- 32 a violation of law or rule, mismanagement, a gross abuse of
- 33 funds, an abuse of authority, or a substantial and specific
- 34 danger to public health or safety.
- 35 Sec. 19. Section 70A.28, subsection 5, paragraph a, Code

- 1 2014, is amended to read as follows:
- 2 a. A person who violates subsection 2 is liable to
- 3 an aggrieved employee for affirmative relief including
- 4 reinstatement, with or without back pay, actual damages, or any
- 5 other equitable relief the court deems appropriate, including
- 6 attorney fees and costs.
- 7 Sec. 20. Section 70A.29, Code 2014, is amended by adding the
- 8 following new subsection:
- 9 NEW SUBSECTION. 01. For purposes of this section, unless
- 10 the context otherwise requires:
- ll a. "Disclosure of information permitted by this section"
- 12 includes any of the following:
- 13 (1) A disclosure of any information by the employee to a
- 14 member or employee of the general assembly if the information
- 15 can be used by the member or employee of the general assembly
- 16 in the performance of the member's or employee's duties,
- 17 regardless of whether the member or employee requested the
- 18 information.
- 19 (2) A disclosure of information to any appropriate person
- 20 if the employee reasonably believes the information evidences
- 21 a violation of law or rule, mismanagement, a gross abuse of
- 22 funds, an abuse of authority, or a substantial and specific
- 23 danger to public health or safety.
- 24 b. "Eligible employer" means any of the following:
- 25 (1) A political subdivision of this state.
- 26 (2) An entity organized under chapter 28E.
- 27 (3) A recipient entity as defined in section 8F.2.
- 28 Sec. 21. Section 70A.29, subsection 1, Code 2014, is amended
- 29 by striking the subsection and inserting in lieu thereof the
- 30 following:
- 31 1. a. A person shall not do any of the following as a
- 32 reprisal against an employee in a position in employment by an
- 33 eligible employer for a disclosure of information permitted by
- 34 this section:
- 35 (1) Discharge, suspend, or demote the employee, or take any

- 1 other adverse employment action resulting in a reduction of the
- 2 employee's pay.
- 3 (2) Fail to appoint or promote the employee to a position in
- 4 the employment or fail to take action regarding an advantage to
- 5 the employee.
- 6 b. This section does not apply if the disclosure of the
- 7 information is prohibited by statute.
- 8 Sec. 22. Section 70A.29, subsection 3, paragraph a, Code
- 9 2014, is amended to read as follows:
- 10 a. A person who violates subsection 1 is liable to
- ll an aggrieved employee for affirmative relief including
- 12 reinstatement, with or without back pay, actual damages, or any
- 13 other equitable relief the court deems appropriate, including
- 14 attorney fees and costs.
- 15 Sec. 23. Section 70A.29, Code 2014, is amended by adding the
- 16 following new subsection:
- 17 NEW SUBSECTION. 4. An eligible employer subject to the
- 18 requirements of this section shall inform the employer's
- 19 employees on a regular basis of their rights to disclose
- 20 information as provided in this section.
- 21 DIVISION VII
- 22 VERTICAL INFRASTRUCTURE ADVISORY COMMITTEE
- 23 Sec. 24. NEW SECTION. 8.57G Vertical infrastructure
- 24 advisory committee.
- 25 l. A vertical infrastructure advisory committee is
- 26 established consisting of seven members, appointed by the
- 27 governor, and subject to confirmation by the senate pursuant
- 28 to section 2.32. Committee members shall be appointed in
- 29 compliance with sections 69.16, 69.16A, and 69.16C. Committee
- 30 members shall reside in this state.
- 31 2. The members of the committee shall serve for staggered
- 32 three-year terms which shall begin and end pursuant to section
- 33 69.19. Members appointed shall continue to serve until
- 34 their respective successors are appointed. Vacancies in the
- 35 membership of the committee shall be filled by the governor.

- 1 Members shall receive actual expenses incurred while serving
- 2 in their official capacity. Members may also be eligible to
- 3 receive compensation as provided in section 7E.6. The governor
- 4 shall designate the chairperson of the committee.
- 5 3. The department of management and the department of
- 6 administrative services shall provide staff assistance and
- 7 support services to the committee.
- 8 4. The committee shall have the following duties:
- 9 a. Oversee the inventory and assessment of the vertical
- 10 infrastructure owned or under the control of the state.
- 11 b. Develop and recommend methods for identifying,
- 12 evaluating, and prioritizing infrastructure needs.
- c. Annually develop and submit to the governor and the
- 14 general assembly no later than December 15 of each year,
- 15 comprehensive five-year plans of recommendations, including
- 16 suggested lists of priority projects. The priority listing
- 17 of projects shall be developed to assist the governor in
- 18 establishing a priority listing of priority projects to be
- 19 submitted to the general assembly pursuant to section 8.22.
- 20 Recommendations shall include the level of funding necessary
- 21 to complete each project recommended and a timetable for
- 22 completion of the project if the project is anticipated to
- 23 require more than one year to complete.
- 24 EXPLANATION
- The inclusion of this explanation does not constitute agreement with
- the explanation's substance by the members of the general assembly.
- 27 This bill concerns government accountability and employment
- 28 practices.
- 29 PERSONNEL SETTLEMENT AGREEMENTS. This division of the
- 30 bill concerns personnel settlement agreements. New Code
- 31 section 70A.35 provides that personnel settlement agreements
- 32 between the state and an employee of the state shall be
- 33 subject to review and approval of the attorney general and the
- 34 applicable employer, shall not contain any confidentiality or
- 35 nondisclosure provisions that attempt to prevent the disclosure

- 1 of the personnel settlement agreement and any such provisions
- 2 shall be void and unenforceable, and shall be made available
- 3 to the public on an internet site. New Code section 70A.35
- 4 is applicable to employees of the executive, legislative, and
- 5 judicial branches of state government and defines a personnel
- 6 settlement agreement as a binding legal agreement between a
- 7 state employee and the state employee's employer relating to
- 8 settlement agreements to resolve a personnel dispute including
- 9 but not limited to certain grievances. The bill provides
- 10 for the posting of the personnel settlement agreements on an
- 11 internet site, by the applicable employer of the employee
- 12 covered. These provisions of this division of this bill take
- 13 effect upon enactment.
- 14 PERSONNEL SETTLEMENT AGREEMENTS EXAMINATION. This division
- 15 of the bill requires the auditor of state to conduct an
- 16 examination of the personnel settlement agreements made
- 17 with terminated state employees since January 2011. Costs
- 18 associated with the examination shall be charged to the
- 19 department of administrative services. A report on the results
- 20 of the examination shall be submitted to the general assembly
- 21 by December 1, 2014.
- 22 SERVICE CONTRACTS. This division of the bill concerns
- 23 service contracts entered into by a government entity.
- 24 Code section 8.47, concerning service contracts entered into
- 25 by a state executive branch department, is amended to provide
- 26 that the standard terms and conditions of a service contract
- 27 shall be consistent with the contractual requirements of Code
- 28 chapter 8F.
- 29 Code chapter 8F, establishing accountability requirements
- 30 for certain service contracts, is amended. "Service contract"
- 31 is defined by the Code chapter as a contract between a
- 32 government entity, called an oversight agency, and a private
- 33 or other intergovernmental entity, called a recipient entity,
- 34 where federal or state moneys are involved for a service or
- 35 services when the predominant factor, thrust, and purpose of

- 1 the contract as reasonably stated is for the provision of 2 services.
- 3 Code section 8F.3, subsection 3, concerning contractual
- 4 requirements for service contracts, is amended to require an
- 5 oversight agency to perform a cost comparison and an economic
- 6 impact analysis prior to entering into a service contract.
- 7 The cost comparison requires a determination that a service
- 8 contract will result in lower contract costs than having the
- 9 services provided by state government. The economic impact
- 10 analysis concerns a determination of the impact on employment,
- 11 economic activity, and public assistance if public employment
- 12 in a particular area is reduced pursuant to a service contract.
- 13 Code section 8F.3 is further amended to require a service
- 14 contract to include performance criteria, provisions governing
- 15 compensation paid to employees of a recipient entity,
- 16 provisions prohibiting automatic renewal of a service contract,
- 17 and provisions prohibiting payment regardless of whether the
- 18 services are actually provided.
- 19 Code section 8F.4, concerning reporting requirements,
- 20 is amended to require an oversight agency to make certain
- 21 information described in Code section 8F.3, subsection 3, and
- 22 information required to be reported by a recipient agency
- 23 pursuant to this Code section available to the public.
- 24 Code chapter 8G, establishing the taxpayer transparency
- 25 Act, is amended to specifically include recipient entities,
- 26 as defined in Code chapter 8F, within the definition of
- 27 "entity" for purposes of the Code chapter. Code section
- 28 8G.4, concerning the creation of a searchable budget database
- 29 internet site, is amended to require that information required
- 30 to be provided pursuant to Code chapter 8F be included on the
- 31 site.
- 32 STATE EMPLOYMENT HIRING PROCEDURES. This division of the
- 33 bill concerns state employment hiring procedures. New Code
- 34 section 70A.21 establishes procedures for state departments,
- 35 boards, agencies, and commissions for designating an individual

1 as ineligible to apply for state employment. The Code section 2 requires the applicable employer to document the determination 3 and provide notice within 10 days of the individual's discharge 4 from state employment of the designation and the right of the 5 individual to appeal the determination. The bill requires 6 state executive branch employers to establish procedures for 7 appealing designations of ineligibility for state employment 8 with an appeal to the public employment relations board for 9 individuals subject to the jurisdiction of the board, and to 10 an administrative law judge employed by the department of 11 inspections and appeals, for all other individuals. 12 New Code section 70A.22 requires an employer of state 13 employees to establish procedures providing for the hiring of 14 employees by the employer. The procedures shall provide for 15 public announcement and advertisement of vacancies. STATE EMPLOYEE BONUSES. This division of the bill concerns 16 17 executive branch bonuses. New Code section 22.13B requires 18 that information concerning bonus pay award to an executive 19 branch employee in an amount over \$200, including the name of 20 the employee, the amount paid and the reasons for the bonus, 21 shall be made easily accessible to the public on an internet 22 site. 23 WHISTLEBLOWER PROTECTION. This division of the bill 24 concerns whistleblower protection. Code sections 8A.417 and 25 70A.28 are amended to allow disclosure of information by a 26 state employee to any appropriate person, and not just to a 27 public official or law enforcement agency, if the employee 28 believes the information evidences a violation of law, 29 mismanagement, a gross abuse of funds, an abuse of authority, 30 or a substantial and specific danger to public health or The Code sections are amended to also prohibit action 31 safety. 32 by the employer to discharge, suspend, demote, or take any 33 other adverse employment action resulting in a reduction of 34 pay of an employee making a disclosure pursuant to the Code 35 sections. Code section 8A.417 is also amended to require

1 applicable employers to inform their employees of their rights 2 concerning disclosures. Code section 70A.28 is further amended 3 to provide that actual damages may be awarded in an action 4 seeking relief for a violation of the disclosure provisions of 5 that Code section. Code section 70A.29, concerning disclosures of information 7 by an employee of a political subdivision, is amended to 8 include employees of an entity created under Code chapter 28E 9 and an intergovernmental entity or a private agency that enters 10 into a service contract with an oversight agency to provide 11 services which will be paid for with local governmental, 12 state, or federal moneys, that is a recipient entity under 13 Code chapter 8F governing service contracts. 14 section is also amended to allow disclosure of information 15 by an applicable employee to any appropriate person, and not 16 just to a public official or law enforcement agency, if the 17 employee believes the information evidences a violation of law, 18 mismanagement, a gross abuse of funds, an abuse of authority, 19 or a substantial and specific danger to public health or The Code section is also amended to prohibit action 20 safety. 21 by an eligible employer to discharge, suspend, demote, or take 22 any other adverse employment action resulting in a reduction 23 of pay of an employee making a disclosure pursuant to the 24 Code section, to provide that actual damages may be awarded 25 in an action seeking relief for a violation of the disclosure 26 provisions of the Code section, and to require eligible 27 employers to inform their employees of their rights concerning 28 disclosures. Code section 8F.3 is amended to reflect that 29 employees of a recipient entity under this Code chapter are 30 subject to the disclosure provisions of Code section 70A.29. VERTICAL INFRASTRUCTURE ADVISORY COMMITTEE. 31 This division 32 of the bill establishes a vertical infrastructure advisory 33 committee consisting of seven members. The division provides 34 that the duties of the committee are to oversee the inventory 35 and assessment of the vertical infrastructure of the state,

- 1 develop and recommend methods for identifying, evaluating, and
- 2 prioritizing infrastructure needs, and annually develop and
- 3 submit to the governor and the general assembly comprehensive
- 4 five-year plans of recommendations, including suggested lists
- 5 of priority projects.